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# Caught in the Budget Battle: How the 'fiscal showdown' impacts LGBT Americans

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If Congress fails to act during the lame-duck session, a series of onerous automatic federal spending cuts and tax hikes will go into effect on January 2, 2013. This budget battle has two major components:

- Significant cuts to the federal budget under a process known as “sequestration”
- Expiration of a number of tax cuts

Sequestration in particular would result in draconian cuts to federal programs that support the health, wellness, and livelihood of gay and transgender Americans and their families.

From workplace nondiscrimination protections to health care coverage to supporting our nation’s elders, cuts in these programs would seriously harm gay and transgender Americans.

The fiscal showdown is looming, with a little longer than one month remaining before it possibly goes into effect. While policymakers work to hammer out an eleventh-hour deal to avoid devastating budget cuts, it is important to remember that we did not get to the edge of this metaphorical fiscal cliff by accident.

In 2011 Congress passed the Budget Control Act of 2011 as part of a deal to raise the ceiling on our nation’s debt. As part of that deal, congressional Republicans held the nation’s credit worthiness and economic recovery hostage to force painful and immediate spending cuts on the country, totaling more than $1 trillion over the 10-year period from 2012 through 2021.

In addition to these immediate cuts, the Budget Control Act also left Congress with the task of finding an additional $1.2 trillion to cut from the budget over the same 10-year period. In the fall

of 2011 the congressional super committee, tasked with designing a plan to reduce the deficit by this amount, failed to produce an agreed-upon proposal. Unless Congress acts during the upcoming lame-duck session, automatic cuts to the federal budget—known as sequestration—will be triggered and will go into effect beginning in January 2013 so as to achieve the $1.2 trillion in deficit reduction as mandated by the Budget Control Act.

Additionally, a number of tax cuts are set to expire at the same time that sequestration is set to go into effect at the beginning of 2013, potentially creating a perfect storm that would simultaneously mandate across-the-board cuts to the federal budget and raise taxes on nearly all Americans. Economists agree: Failure to reach a resolution would hurt job growth, weaken our economic recovery, and impact all Americans.

Avoiding sequestration remains a critical policy goal for Congress. Doing so is important for all Americans, including gay and transgender Americans and their families. As this report details, many federal programs, both directly and indirectly, function to support and serve the gay and transgender population. If across-the-board budget cuts go into effect, this population will experience a host of negative outcomes, including the following:

- Sequestration would hurt gay and transgender workers and threaten their employment security because federal agencies would have fewer resources to investigate claims of employment discrimination.
- Sequestration would compromise gay and transgender health by reducing programmatic funding used to address the health care needs of gay and transgender Americans.
- Sequestration would remove critical resources from government agencies currently working to combat bullying and school violence against gay and transgender youth.
- Sequestration would limit the federal government's ability to address the high rates of homelessness among gay and transgender youth.
- Sequestration would limit the government's capacity to prevent discrimination in housing against gay and transgender renters, tenants, and potential homeowners.
- Sequestration would hamper the government's efforts to prevent violent crime against gay and transgender people through enforcement of hate crimes legislation and other similar federal initiatives aimed at preventing violence in this community.

The bottom line: Gay and transgender Americans simply cannot afford to be caught in the middle of the fiscal showdown. Reductions to federal programs under sequestration would be particularly harmful to gay and transgender people of color, a population that already experiences significant health disparities and economic vulnerabilities due to their double minority status.

Keep reading and check out the full report over at the Center for American Progress:

http://www.americanprogress.org/issues/lgbt/report/2012/11/2... [1]

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